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# NEWLUND MINES LIMITED

2400 The Bank of Nova Scotia Building  
44 King Street West  
Toronto 1 - Ontario

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## NOTICE OF ANNUAL MEETING

To the Shareholders:

TAKE NOTICE that the Annual Meeting of the Shareholders of NEWLUND MINES LIMITED will be held at Room 2400 The Bank of Nova Scotia Building, 44 King Street West, Toronto, Ontario, on Friday, the 29th day of March, 1968, at the hour of 11:00 o'clock in the forenoon, Eastern Standard Time, to receive Reports, elect Directors, appoint Auditors and to transact all such other business as may properly come before the Meeting.


A copy of the Reports and Balance Sheet to be submitted to the Meeting is enclosed herewith.

DATED this 7th day of March, 1968.

By Order of the Board,

P. C. FINLAY,  
Secretary.

NOTE: If unable to attend in person, please sign and return the attached proxy in the envelope enclosed for that purpose.

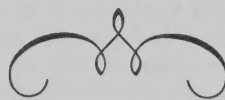


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NEWLUND MINES LIMITED

*Nineteenth Annual Report*



*For the Year Ending September 30th, 1968*



# NEWLUND MINES LIMITED

## *Nineteenth Annual Report*

For the fiscal year ended September 30th, 1968

Authorized Capital — 6,000,000 shares of \$1.00 Par Value

Issued Capital — 5,483,808 shares

Incorporated under the Laws of Ontario



### OFFICERS

E. D. WRIGHT	- - - - -	President
ERIC CRADOCK	- - - - -	Vice-President
J. R. BOOTH	- - - - -	General Manager
P. C. FINLAY, Q.C.	- - - - -	Secretary-Treasurer
H. HUNTER	- - - - -	Assistant Secretary-Treasurer

### DIRECTORS

J. R. BOOTH	- - - - -	Toronto
ERIC CRADOCK	- - - - -	Toronto
J. P. DOLAN	- - - - -	Toronto
P. C. FINLAY, Q.C.	- - - - -	Toronto
E. D. WRIGHT	- - - - -	Toronto

### TRANSFER AGENT AND REGISTRAR

CANADA PERMANENT TRUST COMPANY

1901 Yonge Street

Toronto, Ontario

### SOLICITORS

HOLDEN, MURDOCH, WALTON, FINLAY,

ROBINSON, PEPALL & HARVEY

2400 The Bank of Nova Scotia Building

Toronto, Ontario

### AUDITORS

THORNE, GUNN, HELLIWELL & CHRISTENSON

Toronto, Ontario

### HEAD OFFICE

2400 The Bank of Nova Scotia Building

Toronto, Ontario

# NEWLUND MINES LIMITED

## *Directors' Report*

To the Shareholders:

Your Directors submit herewith the Balance Sheet of your Company as at September 30th, 1968 duly reported upon by the Auditors of your Company, together with Statement of Exploration and Administrative Expenditures, Statement of Deficit and Statement of Source and Application of Funds for the year ended September 30th, 1968.

During 1968 scintillometer and geological surveys were done on the Hyman Township Claim Group which adjoins Agnew Lake Mines Limited on the west. This property, controlled by Kerr Addison Mines Limited, is currently being readied for production. No positive indications were found from the ground work that would justify the expenditure needed to further drill this property. Immediately north of our property, East Bay Mines Limited are about to commence a drilling program, the results of which will undoubtedly influence the company's plans for this property.

Our interest in Penn Nuclear Corporation of Pittsburgh is still being husbanded and while business is at a virtual standstill, the Company is attempting to interest several large end users of powdered metal in certain projects that Penn Nuclear would undertake on their behalf.

The gold property in Echo Township, nearby Sioux Lookout, Northern Ontario is, of course, being kept in good standing. It should be noted here that when the mine shut down in 1952 there had been outlined at that time approximately 700,000 tons of ore grading .25 oz. average gold; further work may prove up additional tonnage. The deposit was investigated by shaft on 3 levels and if the price of gold is increased, the company would initiate further development work.

The Company still retains control of Louvicourt Goldfield Corporation. During the summer of 1968 a Turam loop survey was done on the original gold property as a major interest in the area developed as a result of discoveries made in the township by Soquem. The survey did not show any results of any special significance and no further work was undertaken. However, interest in the area has been maintained and we have received representations to further investigate the gold possibilities.

At the present time the Lance Creek Uranium Mines Limited is being closed out and the Company will get back a substantial amount of its original investment. Lands were acquired, surveys made and a small drilling program carried out. However, the results were not sufficient etc. to warrant further expenditures.

On November 30, 1968 a private placement of 400,000 shares of common stock was sold for \$100,000, the shares taken for investment by Kingsize Investments Limited, a Company wholly owned by E. D. Wright, President of Newlund Mines Limited. The \$100,000 was used in part to finance the ground work and diamond drilling on the uranium property in Cavendish Township in Ontario. Geophysical surveys, prospecting and trenching were completed during the summer and succeeded in delineating two zones worthy of testing by drilling. After approximately 4,000 feet of drilling comprising 19 holes it was decided that drilling should be suspended till after the spring breakup so that further ground work may be done at that time. While surface sampling revealed the presence of ore grade material, the drill program indicated that the zone did not persist to depth.

The Directors are constantly searching for promising mining properties and we will strive once again in the coming year to achieve this objective.

On behalf of the Board,

E. D. WRIGHT,  
President.

Toronto, Ontario,  
March 6, 1969.



# NEWLUND M

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## Balance Sheet—

(with comparative fig

### ASSETS

Current Assets	1968	1967
Cash .....		\$ 2,498
Marketable securities, at cost less allowance for decline in value of \$88,000 in 1968; \$115,000 in 1967 (quoted market value 1968, \$222,700; 1967, \$235,200) .....	\$ 222,696	235,000
Accounts receivable .....		492
	<u>222,696</u>	<u>237,990</u>
Interest in Other Companies		
Unlisted shares, at cost .....	46,001	36,409
Advance .....	3,519	3,519
	49,520	39,928
Less allowance for decline in value .....	37,000	
	<u>12,520</u>	<u>39,928</u>
Other shares (including dormant subsidiary company), at nominal values .....	5	4
	<u>12,525</u>	<u>39,932</u>
Mining Properties and Claims		
Patented mining claims in Echo Township, Ontario, at nominal value .....	1	1
Interest in mining claims, at nominal value .....	1	1
Mining claims held under miner's licenses in Hyman Township, Ontario, at cost .....	8,000	8,000
Mining claims held under development licenses in 1409 Township, Quebec, at cost in 1967 .....		750
	<u>8,002</u>	<u>8,752</u>
Payment on Option to Purchase Mining Claims (note 1) .....	<u>1,000</u>	
Other Assets		
Interest in buildings and equipment, Echo Township, Ontario, at nominal value .....	1	1
Interest in mining syndicate, at cost .....		2,500
	<u>1</u>	<u>2,501</u>
Deferred Expenditures		
Exploration expenditures as per statement .....	14,198	7,452
	<u>\$ 258,422</u>	<u>\$ 296,627</u>

Approved by the Board,

E. D. WRIGHT, Director.

P. C. FINLAY, Director.

# NEWLUND MINES LIMITED

(Incorporated in the laws of Ontario)

September 30, 1968

(September 30, 1967)

## LIABILITIES

### Current Liabilities

	1968	1967
Bank loan and overdraft (secured by marketable securities) .....	\$ 15,588	\$ 25,000
Accounts payable and accrued liabilities .....	5,288	3,367
Note payable — director (including interest) .....	26,740	
	<u>47,616</u>	<u>28,367</u>

### Shareholders' Equity

#### Capital stock (note 2)

Authorized — 6,000,000 shares of \$1 each

Issued — 5,483,808 shares .....

5,483,808 5,483,808

Less discount on shares .....

2,110,900 2,110,900

3,372,908 3,372,908

Deduct deficit .....

3,162,102 3,104,648

210,806 268,260

\$ 258,422 \$ 296,627

## AUDITORS' REPORT

To the Shareholders of  
Newlund Mines Limited

We have examined the balance sheet of Newlund Mines Limited as at September 30, 1968 and the statements of exploration and administrative expenditures, deficit and source and application of funds for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the company as at September 30, 1968 and the results of its operations and the source and application of its funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Toronto, Canada,  
February 14, 1969.

THORNE, GUNN, HELLIWELL & CHRISTENSON,  
Chartered Accountants.



# NEWLUND MINES LIMITED

## *Statement of Exploration and Administrative Expenditures*

Year ended September 30, 1968  
(with comparative figures for 1967)

	1968	1967
<b>Exploration Expenditures</b>		
Echo Township, Ontario .....	\$ 3,287	\$ 3,249
Daniel Township, Quebec .....	120	120
Hyman Township, Ontario .....	2,459	4,525
Elliot Lake, Ontario .....		1,250
Cavendish Township, Ontario (optioned claims) .....	4,167	
Sundry exploration .....	10	87
	<u>10,043</u>	<u>9,231</u>
<b>Administrative and Corporate Expenses</b>		
Management fee .....		1,800
Office services .....	2,400	2,400
Share transfer expenses .....	3,643	2,010
Legal and audit fees .....	3,715	3,711
Shareholders' information and annual meeting expenses .....	1,140	770
Miscellaneous expenses .....	352	115
Interest .....	3,287	2,919
Travel .....	358	250
	<u>14,895</u>	<u>13,975</u>
Deduct		
Dividends received .....		1,456
	<u>14,895</u>	<u>12,519</u>
Expenditures (net) for the year .....	24,938	21,750
Balance deferred at beginning of year .....	7,452	2,807
	<u>32,390</u>	<u>24,557</u>
<b>Deduct amounts written off to deficit</b>		
Exploration expenditures		
Echo Township, Ontario .....	3,287	3,249
Elliot Lake, Ontario .....		1,250
Sundry exploration .....	10	87
	<u>3,297</u>	<u>4,586</u>
Administrative and corporate expenses .....	14,895	12,519
	<u>18,192</u>	<u>17,105</u>
Balance deferred at end of year .....	<u>\$ 14,198</u>	<u>\$ 7,452</u>

### SUMMARY OF EXPENDITURES DEFERRED

<b>Exploration Expenditures</b>		
Daniel Township, Quebec .....	\$ 405	\$ 285
Hyman Township, Ontario .....	9,626	7,167
Cavendish Township, Ontario .....	4,167	
	<u>\$ 14,198</u>	<u>\$ 7,452</u>



# NEWLUND MINES LIMITED

## *Statement of Deficit*

Year ended September 30, 1968  
(with comparative figures for 1967)

	1968	1967
Balance at beginning of year .....	\$3,104,648	\$2,968,258
<b>Add</b>		
Amounts written off		
Mining claims abandoned .....	750	
Cost of option on mining claims abandoned .....	1,500	
Interests in mining syndicates .....	2,950	
Exploration expenditures .....	3,297	4,586
Administration and corporate expenses .....	14,895	12,519
	23,392	17,105
Allowance for decline in value of securities .....	10,000	65,000
Loss on securities .....	24,062	54,285
	57,454	136,390
Balance at end of year .....	\$3,162,102	\$3,104,648

## *Statement of Source and Application of Funds*

Year ended September 30, 1968  
(with comparative figures for 1967)

	1968	1967
<b>Source of Funds</b>		
Sale of shares in other companies .....		\$ 17,997
Allowance for decline in value of marketable securities reclassified as allowance for decline in interest in other companies .....	\$ 27,000	
	27,000	17,997
<b>Application of Funds</b>		
Exploration and administrative expenditures (net) .....	24,938	21,750
Investment in other companies .....	17,500	19,465
Additional allowance for decline in value of marketable securities .....		65,000
Loss on sale of marketable securities .....	16,155	19,234
Increase in interest in mining syndicate .....	450	500
Payments on options to purchase mining claims .....	2,500	
	61,543	125,949
Decrease in working capital .....	34,543	107,952
Working capital at beginning of year .....	209,623	317,575
Working capital at end of year .....	\$ 175,080	\$ 209,623

# NEWLUND MINES LIMITED

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## *Notes to Financial Statements*

### 1. Payment on Option to Purchase Mining Claims

Subsequent to the date of the balance sheet the option agreement was amended. In order to complete the acquisition of mining claims in the Township of Cavendish, Ontario, held under the amended option agreement, further payments are required as follows:

- (a) \$5,000 on or before October 15, 1968 (since paid)
  - 1,000 on or before January 15, 1969 (since paid)
  - 4,000 on or before June 15, 1969
  - 5,000 on or before November 15, 1969
  - 5,000 on or before April 15, 1970
  - 9,000 on or before September 15, 1970

and

- (b) the issue to the optionor of 300,000 shares of the capital stock of a company to be formed to acquire the claims.

### 2. Capital Stock

- (a) An employee has been granted an option to purchase 30,000 shares of the company's capital stock at .23¢ per share before May 6, 1970 with not more than 15,000 shares being purchased before May 6, 1969.
- (b) Subsequent to the date of the balance sheet the company sold 400,000 shares of its capital stock for \$100,000 cash.